



REQUEST FOR QUOTATION

Quotations will be accepted until 3:00 p.m. MST on
September 25, 2006

THE ARIZONA DEPARTMENT OF REVENUE

1600 W MONROE, ROOM 948

Phoenix, AZ 85007

602-716-6510 or 602-716-6515

FAX 602-716-7987

RV0711 - RFQ

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ISSUED ON September 8, 2006

Vendor Notice

THIS IS NOT A PURCHASE ORDER

The terms and conditions of this request should be reviewed and understood before preparing a quotation. The quotation shall be the best net price, FOB destination, to include all delivery charges, but exclude applicable taxes. Delivery schedule and discount for early payment shall be indicated below. Return the quotation by the above date to the above address. Please reference the buyer's name and the RFQ number on the outside of the return envelope (not applicable to fax responses if requested below).

"AN EQUAL EMPLOYMENT OPPORTUNITY AGENCY"

Delivery Location: 1600 West Monroe Room 948 Phoenix Arizona 85007

For information contact: Linda K Delamore (602) 716-6510

This is a Request for Quotation for

PRINTING AND MAILING OF 1099G FORMS

RFQ (page 1), Small Business Survey (page 7) and price sheet (page 13) must be returned by 09/25/2006.

WHEN PRACTICAL THIS PURCHASE MAY BE RESTRICTED TO SMALL BUSINESSES. A SMALL BUSINESS IS ONE THAT, INCLUDING ITS AFFILIATES, IS INDEPENDENTLY OWNED/OPERATED, IS NOT DOMINATE IN THE BUSINESS IT CONDUCTS, AND WHICH EMPLOYS FEWER THAN 100 FULL TIME EMPLOYEES OR WHICH HAD RECEIPTS OF LESS THAN \$4 MILLION DOLLARS IN ITS LAST FISCAL YEAR.

SECTION TO BE COMPLETED BY VENDOR

The undersigned hereby offers and agrees to furnish the material, service, or construction in compliance with all terms, conditions, specifications and amendments in the Solicitation and any written exceptions in the offer. Signature also certifies understanding and compliance with the State of Arizona Uniform Terms and Conditions.

As referenced by paragraph (10) "Prompt Payment Discount" of PAGE 2 Instructions, the price(s) quoted herein can be discounted by _____%, if payment is made within _____ days.

Delivery shall be made _____ calendar days after receipt of order. SALES TAX PERCENT: _____%

Company Name

Address

City, State, Zip Code

Phone No.

Fax Number

Signature

Date

Typed Name and Title

FEDERAL TAX IDENTIFICATION NUMBER _____-_____-_____-_____-_____-_____

Arizona Transaction (Sales) Privilege Tax License No. _____

ACCEPTANCE OF OFFER AND CONTRACT AWARD (FOR STATE OF ARIZONA USE ONLY)

Your offer is hereby accepted. The contractor is now bound to sell the materials, services, or construction listed by the attached award notice based upon the solicitation, including all terms, conditions, specifications, amendments, etc., and the Contractor's offer as accepted by the State.

This contract shall henceforth be referenced to as Contract No. _____

AWARDED THIS _____ DAY OF _____

**SALLY ESCARCEGA
PURCHASING MANAGER**



UNIFORM GENERAL TERMS AND CONDITIONS

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UNIFORM INSTRUCTIONS TO OFFERORS AND UNIFORM TERMS AND CONDITIONS

THE STATE OF ARIZONA'S UNIFORM TERMS AND CONDITIONS, AND INSTRUCTIONS TO OFFERORS ARE HEREBY INCORPORATED BY REFERENCE. IT IS THE OFFEROR'S RESPONSIBILITY TO OBTAIN THE CURRENT REVISION OF THESE DOCUMENTS. THESE DOCUMENTS MAY BE ACCESSED THROUGH

WWW.AZEPS.AZ.GOV OR BY MANUALLY CALLING
THE ARIZONA DEPARTMENT OF REVENUE AT (602) 716-6510.

1. **SUBMISSION:** Quotations shall be signed where applicable and received as designated no later than as indicated.
2. **OPENING:** This is an informal quotation that will not be read at a public opening; however, the information may be publicly reviewed after an award.
3. **TAXES:** The State of Arizona is exempt from Federal Excise Tax, including Federal Transportation Tax. Sales Tax, if any, should be indicated as a separate item on any invoice.
4. **BID REJECTIONS:** The State reserves the right to reject any, or all, bids, combinations of items, or lot, and to waive defects or informalities.
5. **BRAND NAMES:** Any manufacturer's names, trade names, brand names or catalog numbers used in the specifications are for the purpose of describing and establishing the general quality level, design and performance desired. Such references are not intended to limit or restrict bidding by other vendors but are intended to approximate the quality design or performance which is desired. Any bid which proposes like quality, design or performance will be considered. If the description of your differs in any way, you must give a complete detailed description of your quotation including pictures and literature where applicable. Unless a specific exception is made, the assumption will be that you are bidding exactly as specified on the Request for Quotation.
6. **ERASURES:** Erasures, interlineations or other modifications must be initialed by the individual signing the Request for Quotation.
7. **UNIT PRICE:** In case of error in the extension prices in the Quotation the unit price will govern. No Quotation shall be altered, amended or withdrawn after the specific date and time for receiving Quotations. Negligence by the Vendor in preparing the Quotation confers no right for the withdrawal of the Quotation after it has been opened.
8. **PAYMENT:** The State will make every effort to process payment for the purchase of goods or services within thirty (30) calendar days after receipt of goods or services and a correct notice of amount due, unless a good faith dispute exists as to any obligation to pay all or a portion of the account.
9. **PAYMENT DISCOUNT:** Payment discount periods will be computed from the date of receipt of materials or services or correct invoice, whichever is later, to the date State's warrant is mailed. Unless freight and other charges are itemized, any discount will be taken on full amount of invoice. Payment discounts of thirty (30) calendar days or more will be deducted from the bid price in determining the low bid. However, the State shall be entitled to take advantage of any payment discount offered by the Vendor provided payment is made within the discount period.
10. **ARIZONA PROCUREMENT CODE:** The Arizona Procurement Code (A.R.S. Title 41, Chapter 23) and its Rules and Regulations (A.A.C. Title, 2 Chapter 7), are made a part of this document as if fully set forth herein. Note: A.R.S. Title 41, Chapter 23 is available at most public libraries; A.A.C. Title 2, Chapter 7 may be purchased from the Arizona Secretary of State; and both are available for review at the Arizona State Purchasing Office.



SPECIAL TERMS AND CONDITIONS

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PURPOSE

Pursuant to the provisions of the Arizona Procurement Code, ARS 41 -2501 et seq., the State of Arizona, Department of Revenue intends to establish a contract for the material or services listed herein in this solicitation.

AUTHORITY TO CONTRACT

This contract activity is issued under the authority of The Department of Revenue. No alteration of any portion of the contract, any items or services awarded, or any other agreement that is based upon this contract may be made without express written approval of the Department of Revenue Procurement Administrator in the form of an official contract amendment. Any attempt to alter any documents on the part of the ordering agency or any contractor is a violation of the contract and the Arizona Procurement Code. Any such action is subject to the legal and contractual remedies available to the state inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the contractor.

ELIGIBLE AGENCIES (COVER SHEET)

Any contract resulting from this solicitation shall be for the exclusive use of the DEPARTMENT OF REVENUE.

DEVIATIONS TO PRINTING REQUIREMENTS

A customer agency contact has been designated in order to provide information regarding copy, artwork, samples, etc. It is the responsibility of the vendor to contact that individual to verify any requirements prior to the submission of an offer. However, any deviation from the specifications of contract terms that may affect the bid price must be approved by the responsible purchasing authority. Failure to obtain approval from the purchasing authority for the alteration of any portion of the offer or resultant contract may be cause for offer rejection or contract termination.

EVALUATION (RFQFOD)

In accordance with the Arizona Procurement Code A.R.S. § 41-2535 regarding procurements not to exceed an aggregate amount of fifty thousand dollars (\$50,000), award shall be made to the lowest responsible and responsive offeror whose offer conforms in all material respects to the requirements and criteria set forth in the Request for Quotation (RFQFOD).

OFFER ACCEPTANCE (30 DAYS)

In order to allow for an adequate evaluation, the State requires an offer in response to this solicitation to be valid and irrevocable for thirty (30) days after the opening time and date.

CONTRACT TYPE (FIXED-INDEFINITE)

Fixed price term, indefinite quantity.

TERM OF CONTRACT (NOTICE)

The term of any resultant contract shall commence on the date of notice of award and shall continue for a period of one (1) year thereafter, unless terminated, canceled or extended as otherwise provided herein

REFERENCES

Offerors shall submit the names and telephone numbers for contact of existing customers using the type of service requested. At least three (3) references must be submitted on the Offerors prior experience questionnaire.

CONTRACT EXTENSION (24 MONTHS)

By mutual written contract amendment, any resultant contract may be extended for TWO (2) supplemental periods of up to a maximum of twenty-four (24) months

ORDERING PROCESS

Upon award of a contract by the DOR Purchasing Office, any designated agency, eligible political subdivision or eligible nonprofit educational or public health institution may procure the specific material and/or service awarded by the issuance of a contract release order to the appropriate contractor. Each contract release order must cite the correct Arizona contract number. The award of a contract shall be in accordance with the Arizona Procurement Code and all transactions and procedures required by the code for public bidding have been complied with. A contract release order for the awarded material and/or service that cites the correct Arizona contract number is the only document required for the agency to order and the contractor to deliver the material and/or service.



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Any attempt to represent any material and/or service not specifically awarded as being under contract with the State of Arizona is a violation of the contract and the Arizona Procurement Code. Any such action is subject to the legal and contractual remedies available to the State inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the contractor.

KEY PERSONNEL

It is essential that the Contractor provide an adequate staff of experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this contract. The Contractor must agree to assign specific individuals to the key positions, and resumes for these individuals must be included in the Contractor's proposals.

1. The Contractor agrees that, once assigned to work under this contract, key personnel shall not be removed or replaced without the written concurrence of the Procurement Officer.
2. If one of the key personnel is unavailable for work under this contract for a continuous period exceeding 30 calendar days, or is expected to devote substantially less effort to the work than initially anticipated, - the Contractor shall immediately notify the Procurement Officer, and shall, subject to the concurrence of the Procurement Office, replace such personnel with personnel of substantially equal ability and qualification.

PRICE ADJUSTMENT (AFTER 1 YEAR)

The DOR Purchasing Office may review a fully documented request for a price increase only after the contract has been in effect for one (1) year. A price increase adjustment shall only be considered at the time of a contract extension and shall be a factor in the extension review process. The DOR Purchasing Office shall determine whether the requested price increase or an alternate option in the best interest of the State. The contractor shall offer the State a price reduction on the contract products concurrent with a published price reduction made to other customers. The price increase adjustment, if approved, will be effective upon the first day of the month following approval.

PRICE REDUCTION

A price reduction adjustment may be offered at any time during the term of the contract and shall become effective upon notice.

BILLING

All billing notices/invoices to DOR shall identify the specific item(s) being billed. Items are to be identified by the name, model number, and/or serial number most applicable. Any order issued by DOR shall refer to the contract release order/purchase order.

LICENSES

The Contractor shall provide copies of all licenses necessary for the contracted service(s) within ten (10) days after notification by the Buyer and prior to contract execution to DOR Purchasing, 1600 W MONROE, PURCHASING RM 948 PHOENIX, AZ. 85007.

INSURANCE

The State requires a complete and valid Certificate of Insurance prior to the commencement of any service or activity specified in this solicitation. The State will notify the successful contractor(s) of the intent to issue a contract award. The successful contractor(s) must at that time submit an original copy of the attached. Certificate of Insurance (SPO FORM 221 D) for COVERAGE in the minimum amounts stated. The COVERAGE shall be maintained in full force and effect during the term of the contract and shall not serve to limit any liabilities or any other contractor obligations.

SAFETY STANDARDS

All items supplied on this contract must comply with the current applicable occupational safety and health standards of the State of Arizona Industrial Commission, The National Electric Code, and The National Fire Protection Association Standards,

MULTIPLE AWARDS (SIMPLIFIED)

To provide adequate contract coverage, multiple awards may be made.



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CONFIDENTIALITY OF RECORDS

The Contractor shall establish and maintain procedures and controls that are acceptable to the State for the purpose of assuring that no information contained in its records or obtained from the State or from others in carrying out its functions under the contract shall be used or disclosed by it, its agents, officers, or employees, except as required to efficiency perform duties under the contract. Persons requesting such information should be referred to the State. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Contractor as needed for the performance of duties under the contract, unless otherwise agreed to in writing by the State.

CHANGES

The Department reserves the right to revise the work quantities, locations and schedule and make other changes within the general scope of work as may be deemed necessary to best serve the interest of the State. All changes shall be documented by formal amendment to the contract.

CANCELLATION IMMEDIATE

This contract is critical to the State of Arizona and the State reserves the right to immediately cancel the whole or any part of this contract due to failure of the contractor to carry out any term, promise, or condition of the contract. The State will issue written notice of default effective at once and not deferred by any interval of time.

CONTRACT TERMINATION

The Arizona Department of Revenue reserves the right to terminate the contract at any time, for the convenience of the State of Arizona, without penalty or recourse, by giving written notice to the contractor at least thirty (30) days prior to the effective date of such termination. In the event of termination pursuant to this paragraph, all documents, data, and reports prepared by the contractor under the contract shall, at the opinion of the State, become property of the Department of Revenue. The contractor shall be entitled to receive just and equitable compensation for that work completed prior to the effective date of termination.

PAYMENT

The Department of Revenue shall process all claims for prompt payment in accordance with the standard operating procedures of the State.

DOCUMENTS

Submission of additional terms, conditions, or agreements with the bid document may result in bid rejection.

TAXES

Prices offered shall not include applicable state and local taxes. The State will pay all applicable taxes. Taxes must be listed as a separate item on all invoices.

DELIVERY (CONSIDERATION)

Delivery is an important consideration and may be a factor in determining an award; therefore, delivery time after receipt of an order must be stated in definite terms. Should there be variations in delivery time by item, offers must be clear in regard to those variations.

SHIPPING (FOB DELIVERED)

Prices shall be F.O.B. Destination to the delivery location designated herein. Contractor shall retain title and control of all goods until they are delivered and the contract of coverage has been completed. All risk of transportation and all related charges shall be the responsibility of the contractor. All claims for visible or concealed damage shall be filed by the contractor. The State will notify the contractor promptly of any damaged goods and shall assist the contractor in arranging for inspection.

VALUE IN PROCUREMENT – AGENCY SPECIFIC (SPECIAL INSTRUCTIONS)

Through the Governor's Efficiency Review initiative the Value in Procurement Committee has been established. A major initiative of the VIP Committee is to aggregate specific procurements to increase efficiency and cut costs. The VIP Committee may designate and establish a statewide contract for these types of goods or services. At such time, this contract may not be extended beyond its current term, although additional contract extensions may still be available.



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OFFSHORE PERFORMANCE OF WORK PROHIBITED

Due to security and identity protection concerns, direct services under this contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition does not apply to indirect or "overhead" services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

FEDERAL IMMIGRATION LAWS, COMPLIANCE BY STATE CONTRACTORS

By entering into the contract, the Contractor warrants compliance with the Federal Immigration and Nationality Act (FINA) and all other Federal immigration laws and regulations related to the immigration status of its employees. The Contractor shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Contract. The Contractor and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U.S. Department of Labor's Immigration and Control Act, for all employees performing work under the contract. I-9 forms are available for download at USCIS.GOV.

The State may request verification of compliance for any Contractor or subcontractor performing work under the Contract. Should the State suspect or find that the Contractor or any of its subcontractors are not in compliance, the State may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Contract for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance is the responsibility of the Contractor.

PROCURING ELECTRONIC & INFORMATION TECHNOLOGY

Unless specifically authorized in the Contract, any electronic or information technology offered to the State of Arizona under this contract shall comply with A.R.S. § 41-2531 and § 41-2532 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

SMALL BUSINESS/WOMAN OR MINORITY OWNED BUSINESS STATUS

1. A.A.C. R2-7-D302, requires when practical, that purchases estimated to cost between \$5,000 and \$50,000 shall be restricted to small businesses. Is the company a small business (the company and its affiliates, employs less than 100 full time employees or has gross annual receipts of less than \$4,00,000 in its last fiscal year)? YES _____ NO _____
2. Executive Order 2004-29, requires at least one quotation be sought from a woman or minority owned business when soliciting for purchases \$50,000 or less, when practical. Is the company a woman or minority owned business (51% or more woman or minority owned)? YES _____ NO _____

Please Check One:

- | | | |
|--|--|---|
| <input type="checkbox"/> Small Business | <input type="checkbox"/> Woman Owned Business | <input type="checkbox"/> Small, Woman Owned Business |
| <input type="checkbox"/> Small Business, African American Owned | <input type="checkbox"/> Woman Owned Business African American | <input type="checkbox"/> Small, Woman Owned Business African American |
| <input type="checkbox"/> Small Business, Asian Owned | <input type="checkbox"/> Woman Owned Business, Asian | <input type="checkbox"/> Small, Woman Owned Business, Asian |
| <input type="checkbox"/> Small Business, Hispanic Owned | <input type="checkbox"/> Woman Owned Business, Hispanic | <input type="checkbox"/> Small, Woman Owned Business, Hispanic |
| <input type="checkbox"/> Small Business, Native American Owned | <input type="checkbox"/> Woman Owned Business, Native American | <input type="checkbox"/> Small, Woman Owned Business, Native American |
| <input type="checkbox"/> Small Business, Other Owned | <input type="checkbox"/> Woman Owned Business Other | <input type="checkbox"/> Small, Woman Owned Business, Other |
| <input type="checkbox"/> Minority, African American Owned Business | <input type="checkbox"/> Minority, Asian Owned Business | <input type="checkbox"/> Minority Hispanic Owned Business |
| <input type="checkbox"/> Minority, Native American Owned Business | <input type="checkbox"/> Minority Owned Business, Other Owned | <input type="checkbox"/> Non-Small, Non-Minority, Non-Woman |



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IRS PUBLICATION 1075 EXHIBIT 5

CONTRACT LANGUAGE FOR GENERAL SERVICES

I. PERFORMANCE

In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

- (1) All work will be done under the supervision of the contractor or the contractor's employees.
- (2) Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Disclosure to anyone other than an officer or employee of the contractor will be prohibited.
- (3) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.
- (4) The contractor certifies that the data processed during the performance of this contract will be completely purged from all data storage components of his or her computer facility, and no output will be retained by the contractor at the time the work is completed. If immediate purging of all data storage components is not possible, the contractor certifies that any IRS data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
- (5) Any spoilage or any intermediate hard copy printout that may result during the processing of IRS data will be given to the agency or his or her designee. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.
- (6) All computer systems processing, storing, or transmitting Federal tax information must meet or exceed C2 controlled access protections (CAP), called common criteria - functional (Protection Profile) and assurance (EAL). To meet functional and assurance requirements, the operating security features of the system must have the following minimum requirements: a security policy, accountability, assurance, and documentation. All security features must be available and activated to protect against unauthorized use of and access to Federal tax information.
- (7) No work involving Federal tax information furnished under this contract will be subcontracted without prior written approval of the IRS.
- (8) The contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the IRS reviewing office.
- (9) The agency will have the right to void the contract if the contractor fails to provide the safeguards described above.
- (10) (Include any additional safeguards that may be appropriate.)



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II. CRIMINAL/CIVIL SANCTIONS:

(1) Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by IRC sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

(2) Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee **[United States for federal employees]** in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC section 7213A and 7431.

(3) Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

III. INSPECTION:

The IRS and the Agency shall have the right to send its officers and employees into the offices and plants of the contractor for inspection of the facilities and operations provided for the performance of any work under this contract. On the basis of such inspection, specific measures may be required in cases where the contractor is found to be noncompliant with contract safeguards.

IV. VIDEO AND CONFIDENTIALITY:

The contractor shall require all employees having access to federal or Arizona information: (1) view "Safeguarding Federal Tax Information - Stop UNAX in its Tracks"; (2) read and review training document GEN1015 "Confidentiality for ADOR Vendors"; and (3) sign and return the document "Confidentiality Agreement of Non-DOR Employees".



SPECIFICATIONS

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SCOPE:

The Arizona Department of Revenue requires printing and mailing of the 1099G self mailer. The printing of an estimated 750,000 to 900,000, items each to be personalized from Departmental tapes, and delivered to the US Postal Service (per US Postal Regulations) for mailing - ALL BY THE VENDOR.

SIZE:

Self mailer, all sides either sealed or folded so that the information printed on the inside cannot be read without opening or damaging the mailer. Inside the area that cannot be damaged by normal opening of the mailer must be at least 3 7/8" high and 6" wide. Finished mailer must meet USPS regulations for letter-size first-class mail rate postal automation discounts.

QUANTITY:

Between 750,000 and 900,000, (rough estimate at this time is fewer than 850,000). Final count will be determined when live tapes are submitted to vendor around the January 12, 2007, timeframe.

PAPER:

60# White offset or equal. Vendor to state stock to be used. Must meet USPS standards for letter-size first-class mail rate postal automation discounts.

INK:

Black ink front and back.

COPY:

Vendor is responsible for all typesetting and paste-up.

DUE DATE:

Forms shall be deposited with the USPS not later than January 29, 2007, ready for immediate mailing. **THIS DATE IS FIRM.**

PERFORATION:

If used, must conform to USPS regulations.

FOLDING:

If used must conform to USPS specifications to qualify for letter-size first-class mail rate postal automation discounts.

GLUING AND SEALING:

Self-mailer, all sides either sealed or folded so that the information printed on the inside cannot be read without opening or damaging the mailer. The mailer must be constructed in such a way that it can be opened without damage to the contents. Minimum inside area that cannot be damaged by normal opening of the mailer must be at least 3 7/8" high and 6" wide.

PRINTING QUALITY:

All litho printing and imaging shall be durable, of uniform quality, legible, and of proper format for processing through the USPS automated sorting systems. Finished forms shall be free of all defects in paper and printing that may degrade appearance and performance.

INK IMAGING:

Addresses and other variable information supplied on magnetic cartridges are to be imaged on the front and back of the 1099G mailers. Inside contains confidential taxpayer information from tapes provided by the Department. Imprinting must be sharp and clear, with full and uniform ink coverage, free from filled or broken letters, ghosting or other imperfections and the imaging dense enough to facilitate processing. Format shall comply with the Internal Revenue format and OMB (Office of Management and Budget) approved.

NCOA PROCESSING:

Vendor shall perform NCOA processing of the addresses on the "live" tape before using the tape to image the addresses on the mailers. Pricing for this service shall be included in the per piece price on the price sheet.



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TAPE SPECIFICATIONS:

IBM standard tape - 9 track - 1/2" width, tape density 6250 BPI, odd parity, EBCDIC. Record layout provided with tape. Forms require a computerized system of printing variable information and address in black ink directly on the product by ink jet or laser printer, utilizing data from magnetic tapes. Variable data shall be imaged on each sheet. Image characters must be in upper case. Variable information will be required in multiple places on the form.

TEST TAPE IMAGING:

A test tape will be delivered to the vendor. A record audit will be required on all tapes furnished to the contractor. The vendor is to provide the Department of Revenue with printed samples from the test tape supplied and must be approved before the final production tape will be released to the vendor. Samples are also required from the actual production tape. Vendor must not print prior to approval.

The Department will provide a computer test tape with name, address and other variable information to be printed on the forms. Computer tapes furnished to the vendor must be returned to the Department of Revenue within 30 days after completion of the job.

Vendor will be responsible for all necessary programming to ensure that the variable information fits the forms. The Department of Revenue will furnish around the January 12, 2007, timeframe magnetic tapes for variable information and addressing in zip coded sequence for "LIVE" production.

It is the responsibility of the bidder, upon notification of the award of the contract, to contact the Department of Revenue to arrange for the process of typesetting and proofing of the forms to begin and to discuss the delivery of the magnetic tapes.

QUALITY CONTROL:

100% production of all variable information is required. Vendor must ensure that a postcard is produced and mailed for every record on the "LIVE" production tape. Vendor must maintain a thorough quality assurance program. Any damaged, mutilated or illegible addressed form must be shredded immediately after the printing process and replaced with legible ones. Vendor shall guarantee all forms be mailed as per records on magnetic tape. A list of missing forms is not acceptable.

SECURITY:

Vendor must implement necessary safeguards to secure the confidentiality of computer tapes. The contractor must guarantee that they will not reproduce or allow any reproduction of the tapes furnished by the State, or use or allow any person to use the tapes or labels themselves for any purpose other than mailing the tax packets.

In particular, the information on the tapes may not be sold, distributed or otherwise used by the vendor or the vendor's assignees.

The State of Arizona reserves the right to inspect the premises of the vendor where work is to be performed. All artwork, camera-ready copy, negatives, photos, and similar materials used to produce the printing, shall become the property of the Department of Revenue. Any furnished materials shall remain the property of the Department. All such items and materials shall be delivered to the Department in usable condition after the completion of the work and prior to submission of the invoice for payment.

PROOF:

Vendor shall provide a set of two trimmed blueline proofs. Vendor may be required to furnish another set of two proofs depending upon the quality or changes to the first set.

The vendor shall provide the first proof within 20 days after the certification of the bid and receipt of artwork and subsequent proof sets within five (5) days of receipt of a proof returned for corrections. In addition to providing proofs, the vendor will also provide 1,000 test documents created from the test tape to verify data integrity and placement of variable information. A final proof is required and shall be approved by an authorized representative of the Department of Revenue before printing begins. The Department of Revenue will not be held responsible for any costs associated with printing errors by the vendor, or for payment of expenses for the second run, if final proof is not prepared and approved. Extra postage costs as a result of vendor error shall be borne by the vendor. Proofs and test documents must be sent to the following address: 1600 West Monroe, Room 910, Phoenix, AZ 85007.



SPECIFICATIONS

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THE ARIZONA DEPARTMENT OF REVENUE

1600 W MONROE, ROOM 948

Phoenix, AZ 85007

602-716-6510 or 602-716-6515

FAX 602-716-7987

MAILING INDICIA:

All mailers are to be printed with mailing indicia for Presorted FIRST CLASS mailing permit.

POSTAL RATE:

Mailer must qualify for and be mailed at the letter-size first-class mail rate postal automation discounts.

MAILING OF MAILERS :

Sorting of data for mass mailing must be made utilizing CASS certified software approved by the USPS and must be completed in the most economical manner as letter-size first-class mail rate postal automation discounts utilizing mail pooling and available destination entry discounts. All mailers are to be mailed no later than January 29, 2007. Mailing to be bundled, tagged, and delivered to the Post Office. Vendor will furnish with their invoice the mailing statement, PS Form 3602. Any excess costs for additional mailing due to the fault of the contractor shall be borne by the contractor. Any penalty incurred by the Department of Revenue as a result of the forms being mailed after January 31, 2007, shall paid by the vendor.

POSTAGE:

The Department of Revenue will provide a check to cover postage charges for total forms mailed. Forms shall be mailed using carrier route sequence and all applicable discounts. Vendor shall be responsible to ensure that all postal discounts are properly taken. A summary showing number of pieces in each class of mail shall be required to be furnished to the Department of Revenue at the completion of mailing. Vendor shall notify the Department of Revenue at the completion of mailing. Vendor shall notify the Department of Revenue seven (7) days in advance of actual mailing of the amount of postage required.

REFERENCES:

Three (3) references must be provided by the vendor to show that similar work has been previously produced. References may be used as criteria in the awarding of this contract.

SAMPLE:

Vendor to supply five (5) samples of product being bid.

AGENCY TECHNICAL CONTACT:

Dan Zemke 602-716-6882

dzemke@azdor.gov

AGENCY CONTRACT CONTACT:

Linda Delamore 602-716-6510

ldelamore@azdor.gov



PRICE SHEET

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THE ARIZONA DEPARTMENT OF REVENUE

1600 W MONROE, ROOM 948

Phoenix, AZ 85007

602-716-6510 or 602-716-6515

FAX 602-716-7987

For the goods and/or services specified herein, the following apply:

- If payment is made within _____ calendar days after acceptance of goods and/or services, the above quoted price, excluding sales tax, shall be discounted by _____ %. (Refer to Uniform Instructions To Offerors for discount requirements.)
- Sales Tax Percent: _____. (See Uniform Instructions to Offerors, paragraph 7.)

LINE NO.	COMMODITY DESCRIPTION	QTY	U/M	UNIT PRICE	EXTENDED PRICE
1000	Printing and mailing, Form 1099G self mailer Per Specifications. Estimated between 750,000 and 900,000 - NOTE to vendor, DOR mailed 781,000 in January 2006 - For evaluation purposes DOR requires an all inclusive per piece price.	1	PIECE		

SIGNATURE

DATE

NAME AND TITLE



EXHIBIT A – OFFEROR’S EXPERIENCE

THE ARIZONA DEPARTMENT OF REVENUE

1600 W MONROE, ROOM 948

Phoenix, AZ 85007

602-716-6510 or 602-716-6515

FAX 602-716-7987

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References should not include Arizona Department of Revenue.

1. **REFERENCE:** Company: _____
Contract Title: _____
Contract Period: From _____ To _____
Contact Individual/Title: _____
City: _____ State: _____
Telephone: _____

2. **REFERENCE:** Company: _____
Contract Title: _____
Contract Period: From _____ To _____
Contact Individual/Title: _____
City: _____ State: _____
Telephone: _____

3. **REFERENCE:** Company: _____
Contract Title: _____
Contract Period: From _____ To _____
Contact Individual/Title: _____
City: _____ State: _____
Telephone: _____



CERTIFICATE OF INSURANCE

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1600 W MONROE, ROOM 948

Phoenix, AZ 85007

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FAX 602-716-7987

PRIOR TO COMMENCING SERVICES UNDER THIS CONTRACT, THE CONTRACTOR MUST FURNISH THE STATE, CERTIFICATION FROM INSURER (S) FOR COVERAGES IN THE MINIMUM AMOUNTS AS STATED BELOW. THE COVERAGE SHALL BE MAINTAINED IN FULL FORCE AND EFFECT DURING THE TERM OF THIS CONTRACT, AND SHALL NOT SERVE TO LIMIT ANY LIABILITIES OR ANY OTHER CONTRACTOR OBLIGATIONS.

NAME AND ADDRESS OF INSURANCE AGENCY :	COMPANY LETTER	COMPANIES AFFORDING COVERAGE:
	A	
	B	
NAME AND ADDRESS OF INSURED:	C	
	D	

LIMITS OF LIABILITY MINIMUM - EACH OCCURRENCE	COMPANY LETTER	TYPE OF INSURANCE	POLICY NUMBER	DATE POLICY EXPIRES
BODILY INJURY PER PERSON \$500,000.00 EACH OCCURRENCE \$1,000,000.00 PROPERTY DAMAGE \$500,000.00 OR BODILY INJURY AND \$500,000.00 PROPERTY DAMAGE COMBINED SAME AS ABOVE NECESSARY IF UNDERLYING IS NOT ABOVE MINIMUM STATUTORY EACH ACCIDENT \$50,000.00		COMPREHENSIVE GENERAL LIABILITY FORM PREMISES OPERATIONS CONTRACTUAL INDEPENDENT CONTRACTORS PRODUCTS/COMPLETED OPERATIONS HAZARDS PERSONAL INJURY BROAD FORM PROPERTY DAMAGE EXPLOSION & COLLAPSE (IF APPLICABLE) UNDERGROUND HAZARD (IF APPLICABLE) COMPREHENSIVE AUTO LIABILITY INCLUDING NON-OWNED (IF APPLICABLE) UMBRELLA LIABILITY WORKMEN'S COMPENSATION AND EMPLOYER'S LIABILITY OTHER		

STATE OF ARIZONA AND THE DEPARTMENT NAMED ABOVE ARE ADDED AS ADDITIONAL INSUREDS AS REQUIRED BY STATUTE, CONTRACT, PURCHASE ORDER OR OTHERWISE REQUESTED. IT IS AGREED THAT ANY INSURANCE AVAILABLE TO THE NAMED INSURED SHALL BE PRIMARY OF OTHER SOURCES THAT MAY BE AVAILABLE.

IT IS FURTHER AGREED THAT NO POLICY SHALL EXPIRE, BE CANCELED MATERIALLY CHANGED TO AFFECT THE COVERAGE AVAILABLE TO THE STATE WITHOUT THIRTY (30) DAYS WRITTEN NOTICE TO THE STATE. THIS CERTIFICATE IS NOT VALID UNLESS COUNTERSIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE INSURANCE COMPANY.

NAME AND ADDRESS OF CERTIFICATE HOLDER:	DATE ISSUED _____ _____ AUTHORIZED REPRESENTATIVE
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END OF SOLICITATION RV0711 - RFQ DOCUMENT